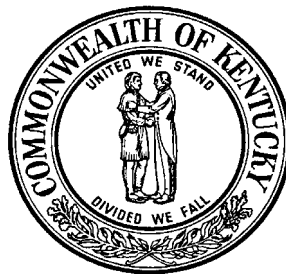


**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE
SCOTT COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period July 1, 2004
Through June 30, 2005**



**CRIT LUALLEN
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CRIT LUALLEN
AUDITOR OF PUBLIC ACCOUNTS

Independent Accountant's Report

Robbie Rudolph, Secretary
Finance and Administration Cabinet
The Honorable Emily Jane Rankin
Scott County Property Valuation Administrator
Georgetown, Kentucky 40324

We have performed the procedures enumerated below, which were agreed to by the Scott County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution, receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period July 1, 2004 through June 30, 2005. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Scott County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipt ledger, a disbursement ledger, and reconciles bank records to books each month. . Re-perform the year-end bank reconciliation (June 30, 2005), to determine if amounts are accurate.

Finding -

PVA has a receipt ledger, a disbursement ledger, and reconciles bank records to books each month. Year-end reconciliation appeared accurate.

2. Procedure -

Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding -

City receipts per the receipts ledger agreed to the confirmed amounts received from city governments. The list of cities appeared complete.



Robbie Rudolph, Secretary
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The Honorable Emily Jane Rankin
Scott County Property Valuation Administrator
(Continued)

3. Procedure -

Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding -

The budgeted statutory contribution by the fiscal court agreed to the required amounts calculated by the Department of Revenue. The fiscal court payments were properly recorded and were traced to the local bank accounts.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (If Any) to determine if expenditures are for official business.

Finding -

Tested disbursements agreed to the cancelled checks, paid invoices or other supporting documentation. All expenditures appeared to be for official business. However, since the PVA was receiving only the front images of the checks with the bank statements, auditor was unable to check for endorsements. We recommend that the PVA speak with the bank about also receiving the backs of the imaging. PVA does not have an office credit card.

PVA's Response -

Back of checks will be included in our next statement per Bonnie Glass, Head Bookkeeper.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if Assets were added to the PVA's Capital Asset Inventory List.

Finding -

There were no capital outlay disbursements.

Robbie Rudolph, Secretary
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The Honorable Emily Jane Rankin
Scott County Property Valuation Administrator
(Continued)

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding -

There were no vehicle lease agreements. There were three contracts for GIS processing. The payments made agreed to the amounts set out per the contracts. The services were both appropriate, for official business and properly authorized. Although the contractors did account for their time, they did not maintain signed documentation for their hours worked. We recommend that the PVA require all contractors to maintain signed documentation of their hours worked.

PVA's Response -

We will require signed documentation for future hours worked.

7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding -

PVA did not overspend in any account series

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if the PVA was sufficiently collateralized for the year and if a collateral agreement exists.

Finding -

PVA's bank balances remained under the level which would require pledged collateral.

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Scott County Property Valuation Administrator
(Continued)

9. Procedure -

Determine whether timesheets are completed, maintained, and support hours worked.

Finding -

While performing our procedures, we determined the employees of the PVA office did not prepare, sign, or submit timesheets. We recommend the PVA require all employees to maintain timesheets. These timesheets should be prepared and signed by the employee, reviewed, approved, and signed by their supervisor before being submitted for payroll processing.

PVA's Response-

I will pursue a computer program on which each employee will document hours worked and sign that.

We were not engaged to and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Crit Luallen", with a stylized, flowing script.

Crit Luallen
Auditor of Public Accounts

Engagement fieldwork completed -
September 30, 2005

